

April 11, 2022

International Co-operation and Tax Administration Division  
Centre for Tax Policy and Administration  
Organisation for Economic Co-operation and Development  
By email to [taxpublicconsultation@oecd.org](mailto:taxpublicconsultation@oecd.org)

**Re: Business Roundtable comments on OECD public consultation on GloBE Implementation Framework**

Dear Sir/Madam,

Business Roundtable welcomes the OECD's commitment to working multilaterally and with the private sector to ensure sound tax policies and straightforward tax administration, which are essential to protecting investment and economic growth.

On behalf of more than 200 Chief Executive Officers of America's leading companies, Business Roundtable is pleased to submit comments in response to the OECD's public consultation of March 14, 2022 on the GloBE Implementation Framework.

*Need for consistency and certainty regarding Qualified IIRs, Qualified UTPRs, and Qualified Domestic Minimum Top-up Taxes (QDMTTs)*

We are concerned about the potential risk that individual countries may be able to exercise their own discretion as to whether the relevant laws of other countries are Qualified IIRs, Qualified UTPRs, and/or QDMTTs, as the case may be for a given country. For the GloBE regime to function as intended, MNEs and tax administrations need consistency and certainty on the status of IIRs, UTPRs and DMTTs.

We note in this regard that, since the publication of the BEPS reports in 2016, some countries have interpreted certain agreed standards or best practices differently. In the context of implementing the GloBE rules, we believe that it is crucial for all participants in the system to be able to rely on the status of explicitly identified Qualified IIRs, Qualified UTPRs, and QDMTTs of all Inclusive Framework countries. We propose that a comprehensive list of all of these taxes be incorporated into the GloBE Implementation Framework, and that the list be updated on a continuous basis.

As you are undoubtedly aware, the current uncertainty as to whether the U.S. GILTI rules will be treated as a Qualified IIR is making it difficult for MNEs to determine how the GloBE rules will apply to their facts. If the U.S. Congress modifies the current GILTI regime to adopt jurisdictional reporting requirements, whatever the Inclusive Framework decides in this regard needs to be written into the GloBE Implementation Framework, indicating that the GILTI regime is a Qualified IIR and must be so treated by all Inclusive Framework members. Alternatively, if the current GILTI rules continue to apply, GILTI should be treated as an acceptable Controlled Foreign Company Tax Regime as defined in the GloBE Model Rules. Similar clarity needs to be provided with respect to the relevant laws of all countries in the Inclusive Framework.

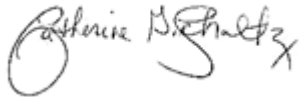
*Need for consistent administrative tools and guidance to cope with multi-jurisdictional aspects of GloBE*

We believe that Competent Authority Agreements covering reporting and compliance requirements related to the GloBE rules need to be in place prior to the effective date of the GloBE rules in the relevant jurisdictions. The GloBE Implementation Framework should mandate this.

In addition, the Implementation Framework should minimize administrative burdens by providing for, among other things, a centralized filing mechanism, consistent formatting of returns, portals for reporting, and notification requirements, with uniform deadlines (subject to an extended deadline for initial filings). These measures are needed because even slight differences in formatting or information reporting requirements of different jurisdictions would result in a significant amount of additional work (including review to ensure compliance) which could generate significant financial costs for MNEs (e.g., additional headcount or consultant spend) and for tax administrations.

Business Roundtable urges the Inclusive Framework to take the above comments into account in its work on the GloBE Implementation Framework, in the interest of ensuring that the GloBE rules can operate as intended. We appreciate your consideration of these comments. Please do not hesitate to contact us if you have any questions.

Sincerely,



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